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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

1 UNITED STATES PATENT AND TRADEMARK OFFICE  
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4 BEFORE THE BOARD OF PATENT APPEALS  
5 AND INTERFERENCES  
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7  
8 *Ex parte* DONNA K. LENCKI,  
9 CHRIS HENCHEY, and  
10 PATRICK B. MILLER  
11

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12  
13 Appeal 2010-010104  
14 Application 09/748,359  
15 Technology Center 3600  
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17  
18 Before MURRIEL E. CRAWFORD, ANTON W. FETTING, and  
19 JOSEPH A. FISCHETTI, *Administrative Patent Judges*.

20 FETTING, *Administrative Patent Judge*.

21 DECISION ON APPEAL<sup>1</sup>

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<sup>1</sup> The two-month time period for filing an appeal or commencing a civil action, as recited in 37 C.F.R. § 1.304, or for filing a request for rehearing, as recited in 37 C.F.R. § 41.52, begins to run from the “MAIL DATE” (paper delivery mode) or the “NOTIFICATION DATE” (electronic delivery mode) shown on the PTOL-90A cover letter attached to this decision.

STATEMENT OF THE CASE<sup>2</sup>

Donna K. Lencki, Chris Henchey, and Patrick B. Miller (Appellants) seek review under 35 U.S.C. § 134 (2002) of a non-final rejection of claims 1-4, 6-12, 14-31, 33-40, 42-48, 50, 51, 70-73, 75-79, 81, 82, and 106, the only claims pending in the application on appeal. We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b) (2002).<sup>3</sup>

The Appellants invented a way of selection, delivery and management of employee benefits such as healthcare benefits, which permits customization of an employee benefit plan at the individual level, while maximizing the buying power of the employer group. (Specification 1: FIELD OF THE INVENTION).

An understanding of the invention can be derived from a reading of exemplary claim 1, which is reproduced below [bracketed matter and some paragraphing added].

1. A method of providing benefits to an employee comprising:  
[1] receiving an insurance coverage package selection from the employee,  
wherein the insurance coverage package  
corresponds to a benefit type and

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<sup>2</sup> Our decision will make reference to the Appellants' Appeal Brief ("App. Br.," filed August 6, 2009) and Reply Brief ("Reply Br.," filed January 22, 2010), and the Examiner's Answer ("Ans.," mailed November 23, 2009).

<sup>3</sup> Although the front page of the non-final rejection mailed March 5, 2009, indicates that claims 41 and 74 are also pending, these claims are cancelled.

1 automatically includes coverage under a plurality  
2 of benefit categories associated with the benefit  
3 type;

4 [2] for each of the plurality of benefit categories automatically  
5 included in the package,

6 simultaneously displaying a plurality of different line  
7 items

8 associated with the benefit category

9 to the employee

10 on a user interface accessible through a computer  
11 network,

12 wherein each of the different line items displayed on the  
13 interface includes

14 (i) an out-of-pocket cost parameter

15 that corresponds to out-of-pocket  
16 costs paid by the employee

17 for use of coverage provided under  
18 the benefit category and

19 (ii) a corresponding benefit cost

20 to the employee

21 for purchasing the coverage under the  
22 benefit category; and

23 wherein the benefit cost presented to the  
24 employee

25 for at least one of the different line  
26 items associated with the benefit  
27 category

28 is non-zero;

29 [3] for each of the plurality of benefit categories automatically  
30 included in the package,

31 receiving via the user interface

32 a purchase selection

1 from the employee  
2 corresponding to one of the plurality of  
3 different line items associated with the  
4 benefit category; and  
5 [4] providing the insurance coverage package corresponding to  
6 the benefit type and  
7 including the plurality of benefit categories to the  
8 employee  
9 in accordance with the purchase selections made by the  
10 employee.

11

12 The Examiner relies upon the following prior art:

Spurgeon	US 5,890,129	Mar. 30, 1999
Warady	US 6,067,522	May 23, 2000
Wizig	US 6,735,569 B1	May 11, 2004

13 Claims 70-73, 75-79, and 81-82 stand rejected under 35 U.S.C. § 112,  
14 second paragraph, as failing to particularly point out and distinctly claim the  
15 invention.

16 Claims 1-4, 6-12, 15-17, 20-31, 34-36, 39-40, 42-48, 51, 70-73, 75-79,  
17 and 82 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Wizig  
18 and Warady.

19 Claims 14, 18-19, 33, 37-38, 50, 81, and 106 stand rejected under 35  
20 U.S.C. § 103(a) as unpatentable over Wizig, Warady, and Spurgeon.

21

ISSUES

The indefiniteness issue hinges on whether claim 70 covers both a machine and a method of using the machine. The obviousness issues hinge on whether what a customer selects in Wizig represents an insurance coverage package that corresponds to a benefit type and automatically includes coverage under plural benefit categories associated with the benefit type, and whether Warady shows the list display recited in limitation [2] was predictable to apply to Wizig.

FACTS PERTINENT TO THE ISSUES

The following enumerated Findings of Fact (FF) are believed to be supported by a preponderance of the evidence.

*Facts Related to the Prior Art*

*Wizig*

01. Wizig is directed to online selection of healthcare services for allowing a user to select a customized healthcare services panel and providing the user with a healthcare services package, the cost of which is calculated based on the user's selections. Wzig 1:9-15.

02. Wzig allows a user to select healthcare services by providing a list of healthcare service providers, receiving a selection of a panel of healthcare service providers from the user, determining a healthcare services package based on the user's selection and providing the determined healthcare services package to the user that is selected. Wzig 2:62-3:6.

03. Each healthcare provider identifies the healthcare services that provider offers. Thus, selection of a healthcare provider inherently selects a package of healthcare services covered. Wizig 17:48-52.

04. Wizig displays the co-payment for each healthcare service provider. Wizig 15:22-26.

05. Wizig displays the user's total remaining budget and sub-total of the present panel benefits cost, and calculates the increase or decrease of the running calculation due to the user's last modification to the panel. Wizig 15:58-62.

*Warady*

06. Warady is directed to health and welfare benefit enrollment and billing system. Warady 1:16-17.

07. Warady presents a drawing of a computer display in which, for each health insurance benefit option, a line is displayed that shows both the cost of the benefit plan and the out of pocket co-insurance or deductible amount. Warady Fig. 7A.

*Spurgeon*

08. Spurgeon is directed to a system for exchanging health care and insurance information. Spurgeon 1:8-13.

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## ANALYSIS

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*Claims 70-73, 75-79, and 81-82 rejected under 35 U.S.C. § 112, second paragraph, as failing to particularly point out and distinctly claim the invention.*

5

6

Claim 70 is an independent claim from which the remaining claims depend. Claim 70 is directed to a system comprised of three structural elements, viz. a database, processor, and user interface. Claim 70 includes three wherein clauses that each describes some part of the function performed by the processor. The Examiner found that these functional clauses rendered the claim indefinite as to whether the claim was directed to a machine or process. Ans. 3-4.

12

13

The Appellants argue that the claim is clearly directed to structural subject matter with the structure defined by functional recitations. Appeal Br. 8-9. We agree with the Appellants that, as all of the components recited in the claim are structural, and the functional phrase are all within “wherein” clauses that further define those structural elements, the claim is clearly and definitely directed to a machine. The claim does not cover a method of use as found by the Examiner.

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*Claims 1-4, 6-12, 15-17, 20-31, 34-36, 39-40, 42-48, 51, 70-73, 75-79, and 82 rejected under 35 U.S.C. § 103(a) as unpatentable over Wizig and Warady.*

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23



*Claims 14, 18-19, 33, 37-38, 50, 81, and 106 rejected under 35 U.S.C. § 103(a) as unpatentable over Wizig, Warady, and Spurgeon.*

The Appellants argue the independent claims 1, 21, 40, 70, and 106 together and none of the dependent claims separately. Thus, we take claim 1 as representative. This claim recites 4 steps. An employee selects some package; the costs to the employee for that insurance and for the out of pocket costs associated with claim under that package for some options are presented; a selection among those options is received; and the insurance is provided.

Ignoring the system aspects of the limitations, these limitations would otherwise describe what has transpired in most open season enrollments which allowed employees' insurance and healthcare provider selection, such as those in the Federal government, where the display occurred on paper and the employee selections by return of forms. So the Examiner found two references describing automation of such enrollment scenarios.

It is important to understand that in providing health insurance, two different types of providers participate – the health card provider and the insurance provider. The latter provides the financial risk assumption and payment administration services that fund the former's services. Thus one cannot simply refer to a provider, but must characterize the referenced provider.

In Wizig, the selection by the employee occurs by creating a customized package wrapped around the particular health care providers selected by the employee. FF 01-02. In Warady, the selection is more general, but is then culled down to a specific provider by displaying the benefit costs and out of

1 pocket costs for each provider. Thus, the Examiner found that Warady  
2 described the execution of limitations [2] and [3] presenting the costs to the  
3 employee for insurance and for the out of pocket costs associated with claim  
4 under that package for some options are presented and a selection among  
5 those options is received

6 The Appellants present several arguments that certain limitations are not  
7 described by the references at Appeal Br. 9-12. The Examiner responded to  
8 those arguments at Answer 28-35. We agree with and adopt the Examiner's  
9 findings of fact and analysis, and reach the same legal conclusions as in that  
10 response. Thus, the issues remaining are those presented in the Reply Brief.

11 First, the Appellants contend that

12 each of the independent claims 1, 21, 40, 70, and 106 require  
13 "receiving an insurance coverage package selection from the  
14 employee, wherein the insurance coverage package...,  
15 automatically includes coverage under a plurality of benefit  
16 categories associated with the benefit type", which element was  
17 not disclosed in Wizig or Warady. [] Wizig discloses allowing  
18 an end user to build a panel of healthcare providers, which  
19 includes allowing the user to exclude coverage for a given type  
20 of physician. *See, e.g.*, Figure 30-33 of Wizig. Such disclosure  
21 simply does not meet the required claim element.

22 Reply Br. 5. Limitation [1] at issue recites receiving an insurance  
23 coverage package selection from the employee, wherein the insurance  
24 coverage package corresponds to a benefit type and automatically includes  
25 coverage under a plurality of benefit categories associated with the benefit  
26 type. As the Examiner pointed out (Answer 29), the nature of the insurance  
27 coverage package selected is only limited in that it corresponds in some  
28 manner to some benefit type and the package automatically include  
29 unspecified coverage under some benefit categories.

1       Wizig offers the coverage of those services offered by the health care  
2 providers selected by the employee. FF 03. Clearly this selection  
3 corresponds to a benefit type of those areas of medicine those particular  
4 health care providers offer and automatically includes medical services  
5 coverage of those services offered by the provider under the benefit  
6 categories associated those areas of medicine. While we agree with the  
7 Appellants that Wizig discloses allowing an end user to build a panel of  
8 healthcare providers, this is not on point, because Wizig covers those  
9 services offered by that panel. Thus, selecting a panel implicitly selects  
10 insurance package coverage.

11       The Appellants then argue

12       Warady presents pre-configured plans to the employee  
13 (Warady, Figs. 7a - 7c), which the employee can accept or not.  
14 In contrast, the present invention does not merely present  
15 preconfigured plans to a consumer for election but, instead,  
16 allows a consumer to configure a plan herself by making  
17 selections from various options presented to her.

18       Reply Br. 6. Limitation [2] at issue recites, for each benefit category,  
19 simultaneously displaying an out-of-pocket cost, and a corresponding benefit  
20 cost to the employee. As the Examiner pointed out (Answer 30-31), the line  
21 items correspond in some manner to some form of coverage under a benefits  
22 category. Each line item presents the cost of the benefit and the cost of  
23 using the benefit.

24       Wizig describes presenting the co-payment for each healthcare service  
25 provider (FF 04) and displays the benefit cost for each such provider as it is  
26 added to the panel (FF 05). The co-payment is an out of pocket cost for

1 using a benefit, and the benefit cost is a benefit cost to the employee for  
2 purchasing coverage.

3 So the issue here is whether it was predictable to provide this  
4 information in the form of a display with a line containing these two  
5 financial pieces of information for each such provider, given that the  
6 information is already provided in a different format. The Examiner  
7 provides Warady essentially as evidence that providing such data in a list  
8 format was known and used in an analogous context within a health  
9 insurance selection system. See FF 07. The Appellants' arguments that  
10 Wizig would not use the costs shown in Warady are simply a case of arguing  
11 references separately rather than their combination. One of ordinary skill  
12 would have immediately seen that it would be the costs already discussed in  
13 Wizig that would be listed in the format shown in Warady.

14  
15 **CONCLUSIONS OF LAW**

16 Rejecting claims 70-73, 75-79, and 81-82 under 35 U.S.C. § 112, second  
17 paragraph, as failing to particularly point out and distinctly claim the  
18 invention is in error.

19 Rejecting claims 1-4, 6-12, 15-17, 20-31, 34-36, 39-40, 42-48, 51, 70-  
20 73, 75-79, and 82 under 35 U.S.C. § 103(a) as unpatentable over Wizig and  
21 Warady is not in error.

22 Rejecting claims 14, 18-19, 33, 37-38, 50, 81, and 106 under 35  
23 U.S.C. § 103(a) as unpatentable over Wizig, Warady, and Spurgeon is not in  
24 error.

DECISION

To summarize, our decision is as follows.

- The rejection of claims 70-73, 75-79, and 81-82 under 35 U.S.C. § 112, second paragraph, as failing to particularly point out and distinctly claim the invention is not sustained.
- The rejection of claims 1-4, 6-12, 15-17, 20-31, 34-36, 39-40, 42-48, 51, 70-73, 75-79, and 82 under 35 U.S.C. § 103(a) as unpatentable over Wizig and Warady is sustained.
- The rejection of claims 14, 18-19, 33, 37-38, 50, 81, and 106 under 35 U.S.C. § 103(a) as unpatentable over Wizig, Warady, and Spurgeon is sustained.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2007).

AFFIRMED

mev

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